Steven F. Alder (00033) Emily E. Lewis (13281) Assistants Utah Attorney General 1594 West North Temple St. #300 Salt Lake City, Utah 84118 Telephone 801 538 5348



BEFORE THE BOARD OF OIL, GAS, AND MINING DEPARTMENT OF NATURAL RESOURCES STATE OF UTAH

:

In the Matter of the Petition of Genwal Resources, Inc. for Review of Division Order DO- 10A, Crandall Canyon Mine

ORDER GRANTING LEAVE TO AMEND DIVISION ORDER AND CONTINUING HEARING

Docket No. 2010-026

Cause No. C/015/0032

The Utah Board of Oil, Gas and Mining upon Motion of the Division of Oil, Gas and Mining, and the consent of Genwal Resources, Inc., and for good cause does hereby grant leave to amend the Division Order 10A ("DO-10A") subject to the further provisions of this Order and continues the evidentiary hearing set for June 22, 2011 until the August 24, 2011 hearing in order to accommodate: amendment of DO-10A; provide Genwal an opportunity to respond and raise any legal or procedural objections to the amendment of DO-10A; and for the Board to rule on any objections to the Amendment.

Now therefore, it is hereby Ordered as follows.

1. The Division may file an amended DO-10A with the Board and serve a copy upon Genwal no later than June 20, 2011. Genwal will file any procedural objections or additional legal objections to the Amended DO-10A by July 10, 2011. These objections will include, but are not limited to those set forth in paragraph 1 of the

13242468.3

Stipulation adopted by the Pre-Hearing Order dated October 27, 2010. The Division will file any responses within 10 days. The Board will hear all arguments regarding Genwal's legal or procedural objections at the July Board Hearing.

- 2. Subject to the Board's ruling on procedural or due process claims or objections, including (i) a ruling on those issues briefed and argued before the Board in January, 2011, and (ii) those issues argued before the Board in July, 2011, Genwal and the Division's rights to proceed with the appeal of the Amended DO-10A, and the Board's authority to resolve all issues regarding Amended DO-10A will continue with the same force and effect as if the Amended DO-10A had been filed at the time of the original Division Order that is the subject of this appeal, *ab initio*.
- 3. The evidentiary hearing on the hydrologic findings that are the basis for the Amended DO-10A will be continued until August 24, 2011, unless prior to that date the Board accepts Genwal's arguments and finds that the Division is without legal authority to require bonding for the unanticipated water treatment costs.
- 4. Prior to the August Board hearing, but not sooner than the July Board hearing, in anticipation of the evidentiary hearing, the parties shall proceed with an exchange of expert reports and shall schedule times for the deposition of experts if requested. The Board shall not review the Division's Supplemental Hydrologic Report (submitted as Exhibit B to the Division's Motion to Amend DO-10A) until the Board's customary review of all of the evidence submitted in anticipation of the August evidentiary hearing on the technical hydrologic basis for the Amended DO-10A.

13242468.3

The foregoing Order is entered this day of June, 2011

BOARD OF OIL, GAS AND MINING

MES T. JENSEN, CHAIR

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing ORDER

GRANTING LEAVE TO AMEND AND CONTINUING HEARING was mailed on this 2151 day of _______, 2011, via U.S. mail, postage prepaid, to the

following:

SNELL & WILMER, LLP

Denise A. Dragoo James P. Allen 15 West South Temple Suite 1200 Salt Lake City, Utah 84101 Telephone: (801) 257-1900

FABIAN & CLENDENIN Kevin N. Anderson Jason W. Hardin 215 South State Street Suite 1200 Salt Lake City, Utah 84111 Telephone: (801) 531-8900

Mike Johnson Assistant Attorney General Counsel to the Board of Oil, Gas and Mining 1594 West South temple #300 Sale Lake City, UT 84116 Telephone (801) 538 7227

Julie Am Cartar